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Pakistan enters bunkering market with first facility

Vitol begins refuelling ships with its barge at Karachi Port as Cnergyico starts supplying low-sulphur fuel

By Kalbe Ali

ISLAMABAD: The country has launched its first standardised bunkering operations at the Karachi Port, aligning Pakistan's largest port with global maritime safety and operational standards.

Bunkering at a port is the process of supplying ships with fuel (such as marine gas oil, heavy fuel oil, or alternative fuels like LNG) for propulsion and onboard machinery.

It is a critical, tightly regulated operation that involves transferring fuel from land-based facilities, tanker trucks, or bunker vessels to the receiving ship's fuel tanks.

Maritime Affairs Minister Junaid Anwar Chaudhry on Tuesday said the initiative was launched to accelerate the modernisation of port services and a broader upgrade of Pakistan's maritime infrastructure.

He said the introduction of regulated bunkering would fill a long-standing gap in Karachi Port's service offering, enabling it to compete more effectively with established bunkering hubs in the region and beyond.

The minister said the availability of safe, reliable, and efficiently managed bunkering facilities is expected to attract more international shipping lines to Karachi, particularly those seeking streamlined port calls and predictable service standards.

Earlier, there was no refuelling facility for commercial shipping in the country, and ships had to obtain fuel from Fujairah or Singapore.

The fuel supply and bunkering facility will be executed by Vitol, a Swiss-based Dutch multinational energy and commodity trading company, through its barge.

Meanwhile, the Karachi-based Cnergyico refinery has started producing world-class 'very low sulphur fuel oil' (VLSFO) for ship refuelling.

The facility has also become essential as India has banned ships that enter or leave its ports from calling at any Pakistani port.

Sources at the Karachi Port Trust (KPT) said that the availability of bunkering facilities would increase vessel traffic at the port, thereby improving revenue too.

Meanwhile, the maritime minister said that the move would translate into higher foreign-exchange earnings through port fees, marine services, and ancillary commercial activity such as repairs, supplies and maritime logistics.

Mr Chaudhry added that the new service would enhance Pakistan's visibility in the international maritime market by demonstrating the country's commitment to modern, environmentally responsible and globally competitive port management.

He said compliance with international standards covering fuel quality, safety procedures, documentation and transparency was essential for building confidence among ship-owners and global trading companies.

The minister said the first phase of operations would begin in collaboration with one of the world's leading energy trading houses, which will conduct bunkering at Karachi Port in accordance with internationally certified practices.

He said the venture is expected to expand as domestic refineries supply larger quantities of refined fuel meeting global specifications, a development he described as a direct benefit to the national exchequer.

The minister noted that KPT had assessed existing bunkering practices, reviewed global procedures, drafted new documentation and engaged stakeholders to bring the service online.

He said the milestone reinforces KPT's ambition to operate as a leading regional hub and signals the government's intention to continue expanding port capabilities in line with international benchmarks.

Textile exports drift lower for third month

By Mubarak Zeb Khan

ISLAMABAD: Amid growing concerns over the country's export performance, Pakistan's textile and clothing sector recorded a 0.67 per cent decline in October, which was the third straight month of negative growth, signalling persistent challenges in one of the country's key industries.

The October decline extends a trend of volatility in the textile and clothing industry, which had seen a sharp rebound of over 30pc in July. The stark contrast highlights unstable global demand and ongoing domestic challenges that continue to weigh on the sector's performance.

Official data released by the Pakistan Bureau of Statistics (PBS) on Tuesday showed that textile and clothing exports fell to $1.616bn from $1.625 billion in October 2024.

This sustained downturn signals persistent challenges facing the country's largest export-earning industry. In September, textile and clothing exports declined by 1.99pc and 7.34pc year-on-year in August.

The PBS data showed exports of readymade garments rose 5.11pc in value and 3.64pc in quantity during 4MFY26, while knitwear rose 8.23pc in value and 16.50pc in quantity. Bedwear up 6.94pc in value and 7.16pc in quantity.

Towel exports dipped 0.29pc in value and 1.39pc in quantity in 4MFY26, whereas cotton cloth went down 12.75pc in value and contracted 8.87pc in quantity, respectively.

The decline in value-added textile exports sends a troubling signal to policymakers. Industry stakeholders have long warned that the high cost of doing business, especially when compared to regional competitors, is eroding Pakistan's export competitiveness in these crucial segments.

Yarn exports rose 7.74pc in 4MFY26. The exports of made-up articles, excluding towels, increased by 4.17pc, and tents, canvas and tarpaulin went up by 32.34pc. Export of raw cotton doubled in 4MFY26.

Meanwhile, the import of synthetic fibre increased 37.15pc, and the arrival of synthetic and artificial silk yarn rose by 14.79pc in 4MFY26. However, other textile items' import increased by 29.21pc the period under review.

The import of raw cotton declined 20.09pc and second-hand clothes grew 12.35pc and textile machinery also recorded a growth of 50.23pc during 4MFY26.

The country's overall exports declined by 4.05pc to $10.45bn in 4MFY26, from $10.88bn in the same period last year.

Oil imports

Pakistan's oil import bill grew 0.58pc in 4MFY26, reaching $5.15bn from $5.12bn in the same period last year. This suggests an uptick in demand, particularly for petroleum products and petroleum crude. Data showed a 10.47pc increase in the value of petroleum products, driven by a 21.41pc rise in quantity, suggesting a shift in the types of oil products being imported.

Crude oil imports increased 13.52pc, with a 23.55pc rise in quantity, indicating that local refineries are processing more crude oil. On the other hand, imports of liquefied natural gas (LNG) and liquefied petroleum gas (LPG) fell by 29.18pc and 0.86pc, respectively.

Machinery imports

The machinery imports grew 21.54pc to $3.54bn in 4MFY26 from $2.91bn last year. The power generating machinery arrival surged by 25.18pc, followed by office machinery 52.51pc, construction machinery 110.75pc and agriculture machinery 23.54pc. However, electrical machinery and apparatus declined 4.42pc.

The imports of the telecommunication group surged by 42.48pc year-on-year, mainly due to a 53.18pc increase in mobile handset arrivals during 4MFY26.

OIL imports slightly rose to $5.15bn, while machinery arrivals surged by 21pc to $3.54bn during the first four months of 2025-26.—Dawn/file

Power firms seek to refund Rs6.3bn for October usage

By Our Staff Reporter

ISLAMABAD: With a 3.5 per cent decrease in power consumption in October over last year, the Central Power Purchasing Agency (CPPA) has sought around 65 paise per unit negative fuel cost adjustment (FCA) for consumers across the country in December bills as almost 75 per cent of the generation came from cheaper domestic, predominantly zero-cost fuel sources.

Once approved, the power companies would refund through billing adjustment about Rs6.3 billion to consumers of all the power companies including ex-Wapda Distribution Companies (Discos) and K-Electric. Nepra has called a public hearing on Nov 27 to examine the request.

The CPPA, which filed the petition for negative FCA, said the power consumption was around 3.5pc lower year-on-year in October and about 21pc lower than in September. It reported that 9,886 billion units (gigawatt hours) of electricity were delivered to Discos in October.

The power companies claimed the average fuel cost amounted to Rs8.72 per unit in October compared to Rs9.25 per unit in the same month last year. The reference fuel cost for October was earlier set at Rs9.37.

The CPPA said about 9,886 GWh of electricity was generated in October at an estimated fuel expenditure of Rs84bn (Rs8.51 per unit), of which 9,630GWh of energy was delivered to Discos at a cost of Rs83.9bn (Rs8.7 per unit).

Hydropower retained its top position with a relatively lower 27.4pc share in the overall grid. The second biggest contribution to the national grid came from Nuclear energy at 22pc followed RLNG at 19.7pc and then local coal (12.76pc) and local gas 9.16pc. Imported coal contributed 4.71pc share to the grid.

The RLNG-based power generation turned out to be the most expensive among the major fuels, with its cost in October reported at Rs21.06 per unit, followed by Rs14.39 per unit from imported coal and Rs13.36 per unit on local gas. Local coal-based power generation cost came in at Rs13 per unit. Furnace oil-based electricity cost was worked out at Rs32.7 per unit, but its contribution to the grid was less than 0.5pc.

The nuclear fuel cost amounted to Rs2.17 per unit in October. The three renewable energy sources — wind, baggasse and solar — together contributed 3.2pc share to the grid. Wind and solar have no fuel cost, while fuel cost from baggasse-based plants stood at Rs10.74 per unit with just 0.4pc contribution to the grid. Electricity import from Iran stood at 0.44pc of the total, with a fuel cost of Rs22.76 per unit.

Govt says rooftop solar 'not hurting' grid

Net metering contribution jumped 173pc to 726m units in 2024

By Khaleeq Kiani

ISLAMABAD: In a new twist to the solar debate, the government on Tuesday conceded that increasing net-metering solarisation has so far not had the negative impact on the national grid that is often claimed.

"Solar generation is increasing, but this does not have a significant impact on the grid," Central Power Purchasing Agency (CPPA) CEO Rehan Akhtar said while testifying before the National Electric Power Regulatory Authority (Nepra).

Working under the Power Division, the CPPA is the key player responsible for the procurement of electricity from various sources and delivering to all distribution companies and handling their commercial affairs.

He said the energy costs had led to a shift to solar power. "They are now consuming more due to solar availability but their offtake from the national grid has not changed. Their withdrawal from the grid is almost stable. They are drawing the same quantities they were drawing earlier," he said, adding, however, that the same could not be predicted about the future.

These comments came during the course of a public hearing on CPPA's request for rebasing of power purchase price (PPP) with effect from January 2026 under the government's policy directives.

The CPPA presented five different assumptions about the tariff revisions with effect from Jan 1, 2026. These assumptions presented a total average PPP price ranging between Rs25.95 per unit in the best case and Rs26.53 per unit in the worst case of currency devaluation to Rs300-310 from the existing Rs280-290 per dollar.

The existing PPP for FY26 stands at Rs25.98 per unit, showing a general sign of stability.

It was reported that net metering contribution had increased by 173pc to 726 million units in 2024 compared to 266m units in 2023, even though power distribution companies (Discos) showed 1pc growth. On the other hand, K-Electric offtake from the grid increased by 9.4pc as it started drawing the full 2,050MW.

Nepra was told that fuel costs were expected to remain generally stable with a minor risk of a 5pc increase in global prices in a worst-case scenario. Likewise, given foreign exchange reserve vulnerabilities, local currency had been estimated to increase by Rs10 in the first six months and Rs10 in the second half of the next calendar year in one case only. Interest rates were projected at 11pc for the first half and 10.5pc for the second half.

Industrial consumers bemoaned expensive energy costs, making their products uncompetitive. They said the industry was still cross-subsidising other consumers to the tune of Rs131bn, and all tariff reductions announced by the government had already vanished.

They said the CPPA's calculation that demand will increase was inconsistent with ground realities, because consumption was going down because of high energy prices, the closing of industries and the shift to solar power.

RLNG gets costlier for third time in November

By Our Staff Reporter

ISLAMABAD: On top of about a 4.4 per cent increase over the past two months, the Oil and Gas Regulatory Authority (Ogra) on Tuesday notified up to 2pc further increase in the price of Regasified Liquefied Natural Gas (RLNG) for sales at the distribution stage by the two Sui gas companies for November, mainly because of higher system losses.

This was despite the fact that the average LNG price delivered at ship (DES) in November was about $0.75 per unit (million British thermal unit) lower than in October, as the utilities' losses went up.

Karachi-based Sui Southern Gas Company Ltd (SSGCL) serves consumers in Sindh and Balochistan, and its system losses at the distribution stage stand at 12.55pc when compared to 10.6pc a month earlier. On the other hand, Lahore-based SNGPL provides gas to consumers in Punjab and Khyber Pakhtunkhwa and its system losses at the distribution stage were also reported at almost 9pc against 7.47pc last month.

According to the notification, the RLNG's sale price for SNGPL at the transmission stage came down by 0.7pc to $11.43 per mmBtu for November against about $11.44 per mmBtu for October and $11.24 per unit in September. The sale price at distribution stage for SNGPL was, however, raised by 1.4pc to $12.4 per mmBtu for November against $12.23 per mmBtu in October and $12.01 in September.

On the other side, the RLNG sale price for SSGCL has been increased at the transmission stage by 0.07pc to $10.065 per mmBtu for November compared to $10.08 in October and $9.86 in September. The sale price at the distribution stage for the company was also increased by 1.97pc to $11.45 per mmBtu for the current month, against $11.23 in October and $11.01 per mmBtu in September.

Ogra said the increase in RLNG price was due to an increase in Unaccounted for Gas (UFG) loss percentage. However, a small reduction in SNGPL's transmission price was a result of a decline in its UFG at the transmission stage. The UFGs for both companies at the distribution stage went up, unfortunately.

Ironically, the RLNG distribution prices for SSGCL $11.45 per mmBtu and $12.39 per mmBtu for SNGPL are almost $3.3 and $4.25 per mmBtu higher than the average delivered price ex-ship (DES), respectively.

IFC, Standard set up $400m facility

KARACHI: International Finance Corporation (IFC) and Standard Chartered Pakistan announced on Tuesday a new $400 million risk-participation facility to support short-term trade and working capital needs of local companies.

The statement issued by the Standard Chartered said the facility will be available for major local corporates and exporters based in Pakistan, helping to boost foreign exchange inflows and drive sustainable economic growth.

"We are delighted to further solidify our enduring partnership with IFC through this groundbreaking agreement — a unique collaboration between IFC and Standard Chartered Pakistan," said CEO Rehan Shaikh.

This initiative, which was formalised in September, builds on the previous joint $200m facility that was committed in December 2022.

"This new important milestone in our strong, longstanding partnership with Standard Chartered reflects IFC's deep commitment to strengthening Pakistan's financial sector and supporting its export-driven industries," said Momina Aijazuddin, Regional Head of Industry of IFC's Financial Institutions Group for the Middle East, T rkiye, Central Asia, Pakistan, and Afghanistan, commented.

By doubling the size of risk-participation facility, we are helping unlock vital trade and working capital financing for businesses that drive growth, create jobs, and contribute to the country's long-term economic resilience, she said.—Staff Reporter

Bears drive out bulls amid dearth of triggers

By Muhammad Kashif

KARACHI: Volatility persisted on the Pakistan Stock Exchange (PSX) for the second straight session on Tuesday.

Despite a positive start, the market came under renewed selling pressure as nervous investors continued to offload their positions amid a dearth of positive triggers, reflected in a surge in trading volume to over 1.5 billion shares.

According to Topline Securities Ltd, the PSX witnessed a tug of war between the bulls and bears, with the index swinging to an intraday high of 657 points before slipping to an intraday low of 1,103 points.

Despite early attempts at a rebound, the bears ultimately seized control as the benchmark index closed at 160,935.13 — down by 752.05 points or 0.47 per cent.

PAKISTAN STOCK EXCHANGE

THE TOP FIVERS

GAINERS		LOSERS		LEADERS*	
Supernet Techno	171.04	Khyber Textile	143.18	WorldCall Telecom	459,32
Unilever Foods	150.32	Gillette Pakistan	33.45	Bank Makramah	166.19
Rafhan Maize	62.09	Fecto Cement	19.02	Beco Steel Ltd	134.30
National Refinery	37.52	Aisha Steel Convt	18.70	K-Electric	76.18
Hoechst Pakistan	35.48	Gadoon Textile	18.56	First Nat'l Equities	52.72

(Share values in rupees) * Volume in millions of traded shares

ACTIVITY

Total listed	532
Active	474
Gainers	179
Losers	249

PARTICIPANTS

Foreign	▼$0.62m
Companies	▲$0.66m
Banks	▼$2.17m
Mutual Funds	▼$1.63m
Individuals	▲$3.88m

INDICATORS

	Tuesday	Previous		Change
KSE 100-SHARE INDEX (Points)	160,935.13	161,687.18	▼	752.05
KSE 30-SHARE INDEX (Points)	48,680.99	48,950.98	▼	269.99
MARKET CAPITAL (Rs billion)	18,376.322	18,449.937	▼	73.614
TRADING VALUE (Rs billion)	38.855	41.376	▼	2.520

With international markets trading in the red, the local bourse followed suit. At the same time, a lack of fresh positive news flows prompted investors to trim positions and book profits, keeping sentiment cautious throughout the session.

Index-heavy stocks, including Pioneer Cement, Pakistan Oilfield, Pakistan Services, DG Khan Cement and Pakistan Telecommunication Company, posted notable gains, collectively contributing 206 points to the benchmark. On the flip side, Engro Holdings, Meezan Bank, Bank Al-Habib and United Bank together dragged the index lower by 360 points.

Ali Najib, Deputy Head of Trading at Arif Habib Ltd, observed that the persistent selling pressure reversed the early bullish momentum, pushing the index to an intraday low of 160,584.

In the absence of any notable positive catalyst, investors opted to trim positions, leading to broad-based profit-taking since the week commenced.

Despite the bearish close, market activity strengthened considerably. The trading volume surged 27.29pc to 1.54 billion shares, while the traded value fell 6.09pc to Rs38.8bn.

WorldCall Telecom continued its dominance on the volume charts with 459 million shares traded.

Analysts feel momentum at PSX was weakening, with the market facing selling headwinds at intraday highs, once again dragging the KSE100 index back toward the 160,000 zone.

US DOLLAR BUYING Rs281.31 SELLING Rs281.70
EURO BUYING Rs325.32 SELLING Rs328.32
GBP BUYING Rs369.18 SELLING Rs372.52
UAE DIRHAM BUYING Rs76.61 SELLING Rs77.44
KSA RIYAL BUYING Rs74.92 SELLING Rs75.55
GOLD TOLA Rs423,662 10 GMS Rs363,221